



Q1 2025 Earnings Presentation

May 1, 2025





Forward-Looking Statements

This presentation includes contains statements that are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified by words such as “estimates,” “guidance,” “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks” and similar expressions. Forward-looking statements include information with respect to financial condition, results of operations, business strategies, operating efficiencies or synergies, competitive position, industry projections, growth opportunities, acquisitions, plans and objectives of management, markets for the common stock and other matters. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from either historical or anticipated results depending on a variety of factors. These risks and uncertainties include, in addition to other matters described in this presentation, and without limitation: adverse economic and business conditions, including cyclicity and seasonality in the industries we sell our products and inflationary pressures, challenges and risks associated with importing products, such as the imposition of price caps, or the imposition of trade restrictions or tariffs on any materials or products used in the operation of our business, the impacts of future pandemics, geopolitical tensions or natural disaster on the overall economy, our sales, customers, operations, team members and suppliers. Further information concerning the Company and its business, including risk factors that potentially could materially affect the Company’s financial results are discussed under the caption “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission on February 20, 2025.

We caution readers not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date they are made, and we disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this presentation or to reflect any change in our expectations after the date of this presentation or any change in events, conditions or circumstances on which any statement is based.

USE OF NON-GAAP FINANCIAL MEASURES

This presentation contains non-GAAP financial measures. These measures, the purposes for which management uses them, why management believes they are useful to investors, and a reconciliation to the most directly comparable GAAP financial measures can be found in the Appendix of this presentation. All references to profit measures and earnings per share on a comparable basis exclude items that affect comparability.



Q1'25

Patrick (NASDAQ: PATK) is a leading component solutions provider for the RV, Marine, Powersports and Housing markets

NET SALES

\$1.0B

OPERATING INCOME & MARGIN

\$66M | 6.5%

ADJUSTED EBITDA & MARGIN ¹

\$116M | 11.5%

FREE CASH FLOW TTM ^{1,2}

\$251M

RV

Revenue & % of Net Sales

\$479M | 48%



OUTDOOR ENTHUSIAST

MARINE

Revenue & % of Net Sales

\$149M | 15%



OUTDOOR ENTHUSIAST

POWERSPORTS

Revenue & % of Net Sales

\$81M | 8%



OUTDOOR ENTHUSIAST

HOUSING

Revenue & % of Net Sales

\$295M | 29%



¹ Non-GAAP metric: Refer to appendix for reconciliation to closest GAAP metric | ² TTM = trailing twelve months

DIVERSIFICATION JOURNEY CONTINUES

\$ in millions, except per share data

	FY 2019	Q1 2025 TTM	Δ
Wholesale RV Unit Shipments	406,070	345,640	(15%)
Wholesale Marine Shipments ¹	189,945	141,868	(25%)
Total Net Sales	\$2,337	\$3,786	+62%
Total RV Revenue	\$1,287	\$1,683	+31%
Total Marine Revenue*	\$329	\$564	+71%
Total Powersports Revenue*	-	\$351	NM
Total Housing Revenue	\$721	\$1,188	+65%
Gross Margin	18.1%	22.7%	+460 bps
Adjusted Operating Margin ²	6.6%	7.1%	+50 bps
Adjusted Diluted EPS ^{2,3}	\$2.57	\$4.27	+66%
Adjusted EBITDA Margin ²	10.1%	12.1%	+200 bps
Free Cash Flow ²	\$165	\$251	+52%

KEY STRATEGIC TAKEAWAYS

- 1 **Strategic diversification** increases total addressable market and improves resiliency
- 2 Poised to capitalize on **long-term secular growth trends** and **favorable demographics**
- 3 **Entrepreneurial spirit, innovation** and **full-solutions model** enhance capabilities and customer experience
- 4 **Strong financial foundation** to seize profitable opportunities while operating from a position of strength
- 5 **Highly-experienced leadership team** passionate about the Outdoor Enthusiast lifestyle



¹ Company Estimate | ² Non-GAAP metric: Refer to appendix for reconciliation to closest GAAP metric | ³ Periods prior to Q4-24 reflect the impact of the three-for-two stock split paid in December 2024 | * In 2019, Powersports sales were included in Marine sales

Q1 2025 Highlights

Net sales grew 7% y/y, driven by an increase in RV and Housing revenue, offset by lower revenue in Marine and Powersports

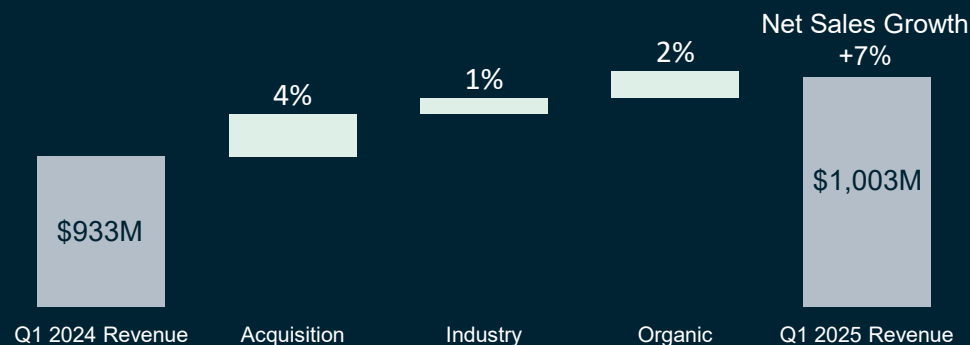
- RV wholesale unit shipments improved 14% y/y in the first quarter in preparation for peak selling season
- Marine revenue declined 4% y/y on a 10% decrease in estimated wholesale powerboat unit shipments
- Powersports revenue fell 2%, reflecting softer demand across the recreation/sport segment of the market
- Housing revenue improved 7%, driven by a 4% increase in estimated MH CPU¹ and continued MH wholesale unit shipment growth

Operating cash flow improved 14% to \$40 million and free cash flow was \$20 million² in the quarter

- Returned over \$22 million to shareholders in the form of share repurchases and dividends during the first quarter of 2025
- Completed the acquisitions of Elkhart Composites and Medallion Instrumentation Systems, furthering our commitment to a full-solutions model



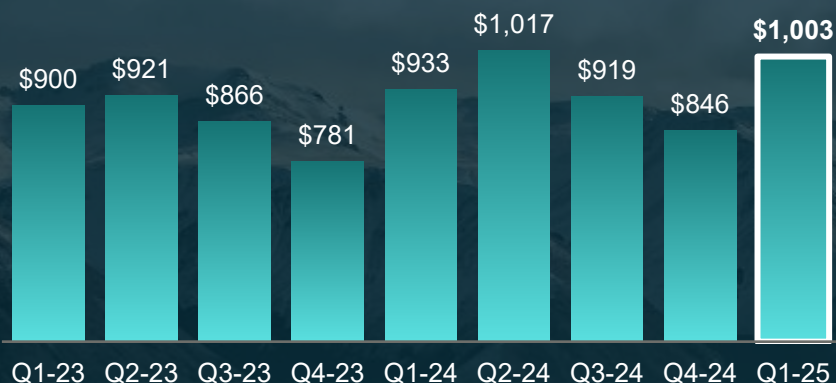
Q1 ORGANIC GROWTH



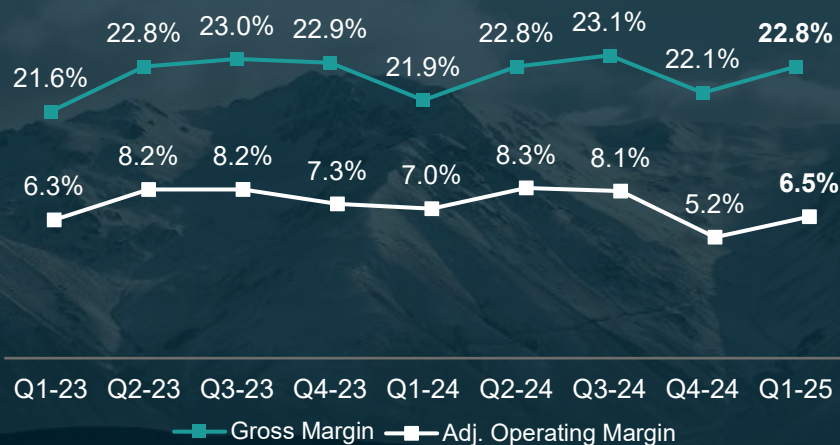
Quarterly Financial Overview

NET SALES

\$ in millions

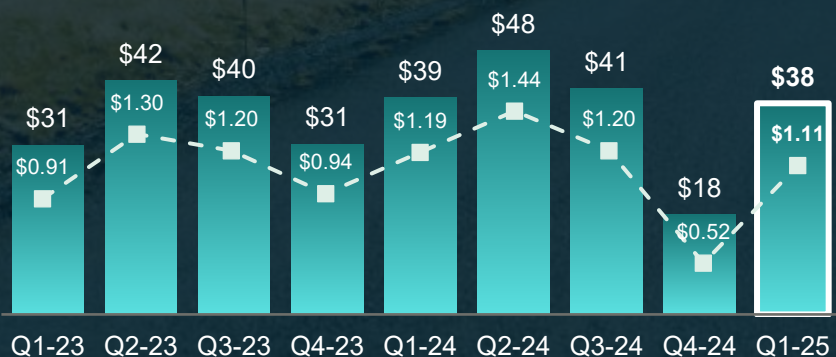


GROSS & ADJUSTED OPERATING MARGIN ¹



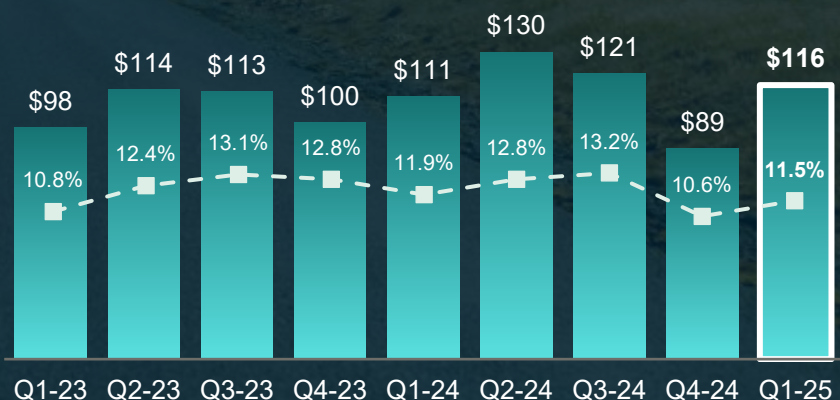
ADJUSTED NET INCOME & DILUTED EPS ^{1,2}

\$ in millions, except per share data



ADJUSTED EBITDA & MARGIN ¹

\$ in millions



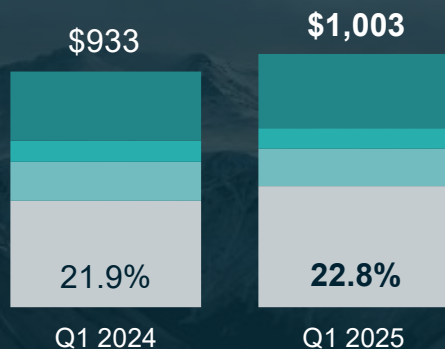
¹ Non-GAAP metric: Refer to appendix for reconciliation to closest GAAP metric | ² Periods prior to Q4-24 reflect the impact of the three-for-two stock split paid in December 2024

Q1 2025 Financial Performance

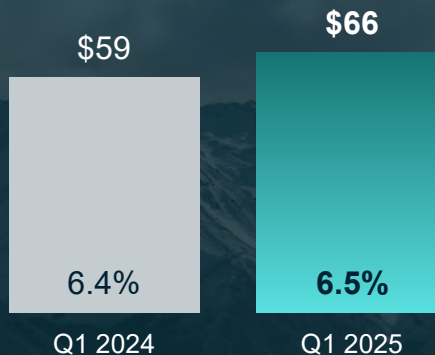


\$ in millions, except per share data

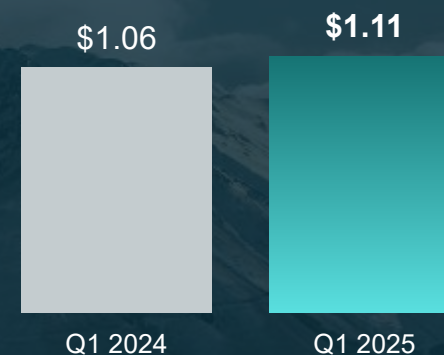
NET SALES & GROSS MARGIN



OPERATING INCOME & MARGIN



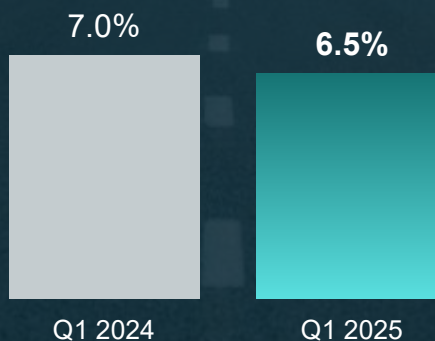
DILUTED EPS ²



ADJUSTED EBITDA ¹



ADJUSTED OPERATING MARGIN ¹



ADJUSTED DILUTED EPS ^{1,2}



¹ Non-GAAP metric: Refer to appendix for reconciliation to closest GAAP metric | ² Q1 2024 reflects the impact of the three-for-two stock split paid in December 2024



Performance by End Market

Q1 2025

REVENUE

\$479M

14% ↑
vs. Q1 2024

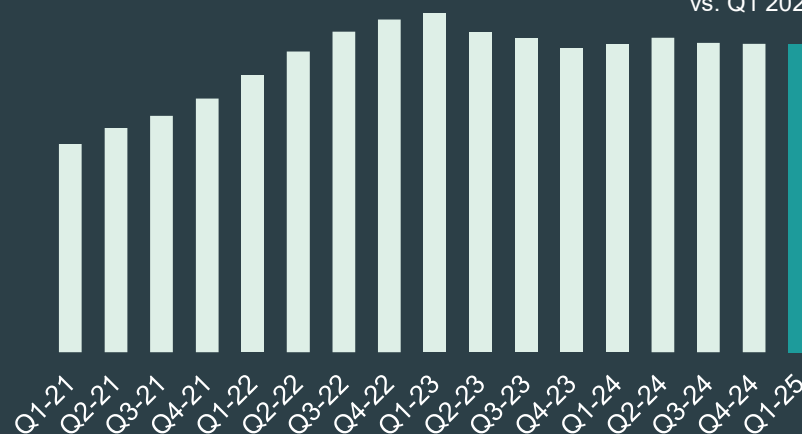
% OF Q1 NET SALES

48%



CONTENT PER UNIT ¹

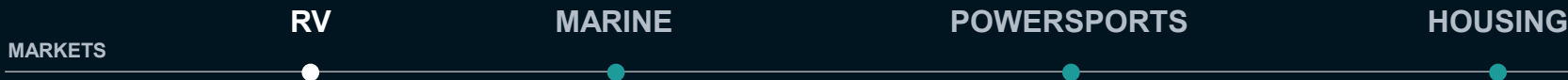
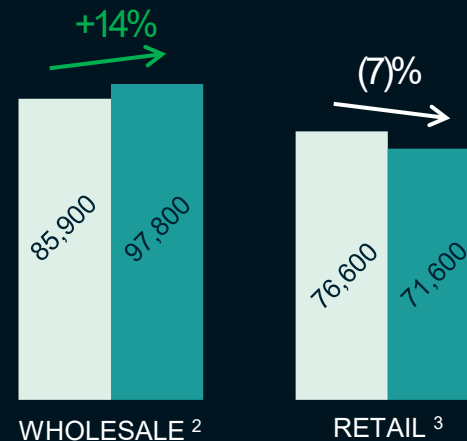
Q1 2025 TTM CPU
\$4,870 | FLAT
vs. Q1 2024



SHIPMENTS

■ Q1 2024 ■ Q1 2025

Estimated Dealer
Inventory Impact
in Q1'25:
~26,200 units



¹ CPU = Content per wholesale unit on a trailing twelve-month basis | ² RVIA | ³ Company estimate based on data published by SSI

REVENUE

\$149M

(4%) ↓
vs. Q1 2024

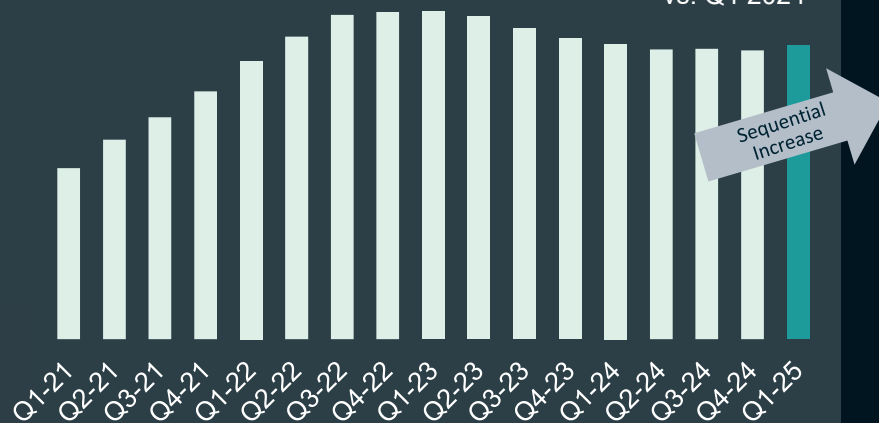
% OF Q1 NET SALES

15%



CONTENT PER UNIT ¹

Q1 2025 TTM CPU
\$3,979 | FLAT
vs. Q1 2024



SHIPMENTS ²

■ Q1 2024 ■ Q1 2025



Estimated
Dealer
Inventory
Impact in
Q1'25:
~5,800 units

REVENUE

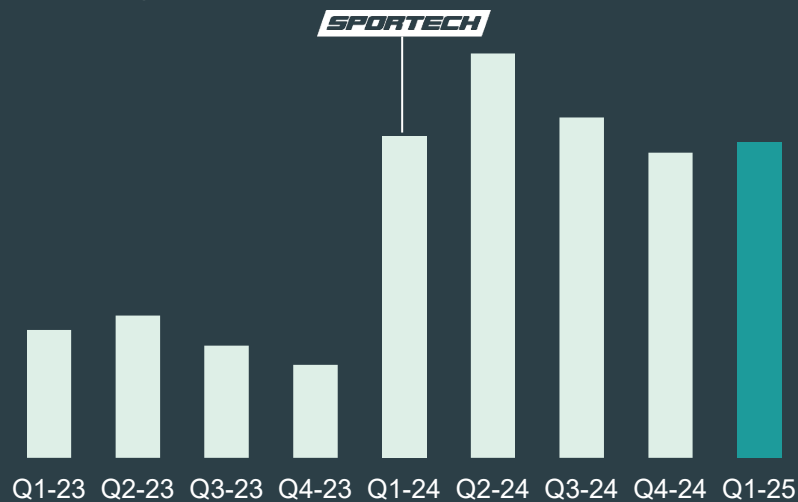
\$81M | (2%) ↓
vs. Q1 2024

% OF Q1 NET SALES

8%

QUARTERLY POWERSPORTS REVENUE

(\$ in millions)



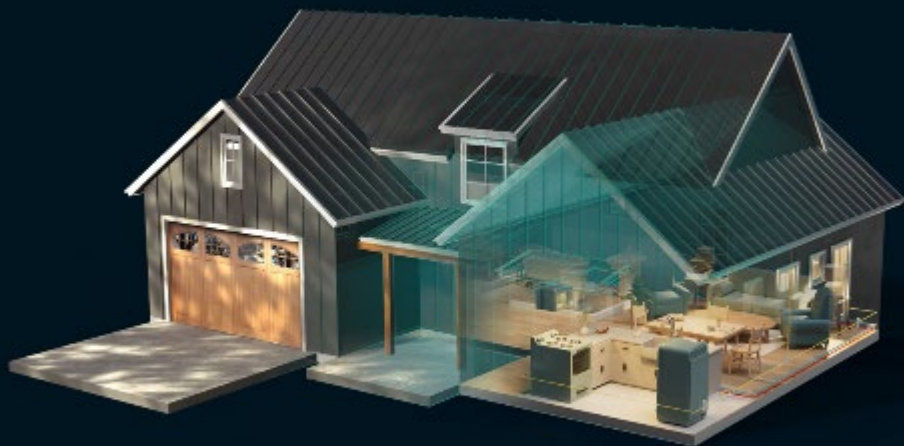
REVENUE

\$295M

7% ↑
vs. Q1 2024

% OF Q1 NET SALES

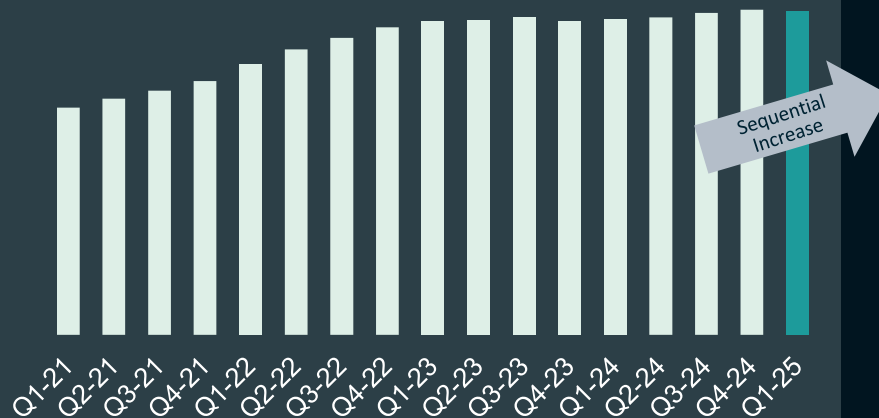
29%



CONTENT PER MH UNIT ¹

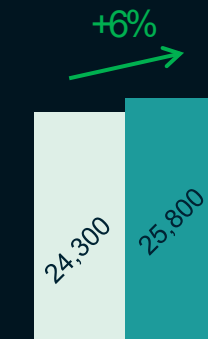
Q1 2025 TTM CPU

\$6,671 | 4% ↑
vs. Q1 2024



MH SHIPMENTS ²

■ Q1 2024 ■ Q1 2025

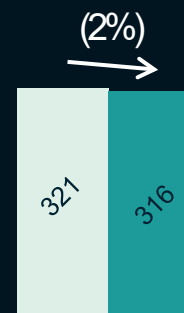


MH WHOLESALE

HOUSING STARTS ³

■ Q1 2024 ■ Q1 2025

Starts in thousands



HOUSING STARTS

End Market Trends

Q1 2025

OUTDOOR ENTHUSIAST MARKETS



RV

Despite seasonal inventory build, dealer inventory appears healthy as dealers prepare for the upcoming selling season

Ongoing investments such as composite solutions help drive share gains despite a continued preference for smaller, entry-level units



MARINE

OEMs and dealers continue to collaborate to keep inventory levels lean with targeted restocking

Improved mix toward premium, higher-engineered categories, including ski and wake

Major boating peers have reported interest in the boating lifestyle remains positive



POWERSPORTS

Sportech attachment rates improving on premium utility SxS vehicles

OEMs have been supporting dealers through disciplined production and other activities, such as floor plan assistance

Broad use cases contributed to utility segment remaining more resilient

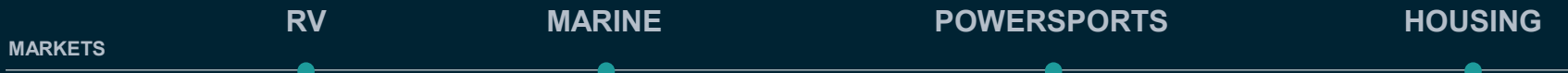


HOUSING

Affordable housing demand remains strong, and inventory remains limited

MH demand remains solid as OEMs have improved curb appeal, options and financing availability

As clarity improves surrounding the macroeconomic environment, we expect consumers and dealers to react more positively.



Balance Sheet & Liquidity

Q1 2025

DEBT STRUCTURE AND MATURITIES

- \$125.0M Term Loan (\$123.4M o/s), scheduled quarterly installments; balance due October 2029
- \$875.0M (\$210.0M o/s) Senior Secured Revolver, due October 2029
- \$258.7M 1.750% Convertible Senior Notes, due December 2028
- \$350.0M 4.750% Senior Notes, due May 2029
- \$500.0M 6.375% Senior Notes, due November 2032

NET LEVERAGE¹ (\$ in millions)

Total Debt Outstanding	\$1,442.2
Less: Cash and Debt Paid as Defined by the Credit Agreement	130.0
Net Debt	<u>\$1,312.2</u>
Pro Forma Adj. EBITDA	<u>\$478.1</u>
Net Debt to Pro Forma Adj. EBITDA	2.7x

LIQUIDITY (\$ in millions)

Total Revolver Credit Capacity	\$875.0
Less: Total Revolver Used (including outstanding letters of credit)	217.0
Unused Credit Capacity	<u>\$658.0</u>
Add: Cash on Hand	<u>86.6</u>
Total Available Liquidity	<u><u>\$744.6</u></u>

COVENANTS AND RATIOS¹

Consolidated Net Leverage Ratio – 2.7x

Consolidated Secured Net Leverage Ratio – 0.43x versus 2.75x maximum

Consolidated Interest Coverage Ratio – 6.70x versus minimum 3.00x

Strong balance sheet and significant liquidity to support investments and pursue attractive growth opportunities

¹ As defined by credit agreement

FISCAL YEAR 2025 OUTLOOK

End Market Outlook

	FY 2024	FY 2025 Estimate Prior Estimate
RV Wholesale Unit Shipments ¹	334K	310K - 330K ~350K
RV Retail Unit Shipments	354K ²	Down MSD - HSD% Flat
Marine Wholesale Powerboat Unit Shipments	146K ²	Down LSD% Up 5% - 10%
Marine Retail Powerboat Unit Shipments	165K ²	Down HSD - LDD% Flat
Powersports Organic Content	-	Up HSD% Up MSD%
Powersports Wholesale Shipments	-	Down LDD% Down 10%
MH Wholesale Unit Shipments ¹	103K	Up MSD% Up 10% - 15%
New Housing Starts ¹	1.4M	Down 10% Flat - Up 5%

Financial Outlook

	FY 2024	FY 2025 Estimate Prior Estimate
Adjusted Operating Margin ³	7.2%	7.0% - 7.3% Up 70 - 90 bps
Operating Cash Flows	\$327M	\$350M - \$370M \$390M - \$410M
Capital Expenditures	\$76M	\$70M - \$80M \$75M - \$85M
Free Cash Flow	\$251M	\$270M+ \$305M+
Tax Rate	22.5%	24% - 25%



¹ Wholesale shipment data provided by RVIA, MHI, and U.S. Census Bureau | ² Company estimates based on data from NMMA and SSI | ³ Non-GAAP metric: Refer to appendix for reconciliation to closest GAAP metric



Non-GAAP Reconciliations

Q1 2025



Use of Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures. Management believes that, when considered together with reported amounts, these measures are useful to investors and management in understanding our ongoing operations and in the analysis of ongoing operating trends. These measures should be considered in addition to, and not as replacements for, the most comparable GAAP measure.

- Earnings before interest, taxes, depreciation and amortization ("EBITDA"), pro forma adjusted EBITDA, adjusted EBITDA margin, adjusted operating margin, adjusted net income, adjusted diluted earnings per common share, and net debt to pro forma adjusted EBITDA are non-GAAP financial measures. In addition to reporting financial results in accordance with accounting principles generally accepted in the United States, we provide non-GAAP operating results adjusted for certain items and other one-time items.
- We adjust for the items listed above in all periods presented, unless the impact is clearly immaterial to our financial statements.
- Content per unit metrics are generally calculated using our market sales divided by Company estimates based on third-party measures of industry volume.
- We utilize the adjusted results to review our ongoing operations without the effect of these adjustments and for comparison to budgeted operating results. We believe the adjusted results are useful to investors because they help them compare our results to prior periods and provide important insights into underlying trends in the business and how management oversees our business operations on a day-to-day basis.
- We calculate free cash flow by subtracting cash paid for purchases of property, plant and equipment from net cash provided by operating activities.
- Figures may not sum due to rounding.

Non-GAAP Reconciliations

RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME TO ADJUSTED DILUTED EARNINGS PER COMMON SHARE ¹			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q1
	(\$ in millions, except per share data)	2019	2023	2023	2023	2023	2024	2024	2024	2024	2025	2025
												TTM
	Net income	\$90	\$30	\$42	\$40	\$31	\$35	\$48	\$41	\$15	\$38	\$142
	+ Acquisition related fair-value inventory step-up	-	1	-	-	-	1	-	-	2	-	2
	+Acquisition related transaction costs	-	-	-	-	-	5	-	-	-	-	-
	+ Loss on extinguishment of debt	-	-	-	-	-	-	-	-	3	-	3
	- Tax impact of adjustments	-	-	-	-	-	(2)	-	-	(1)	-	(1)
	Adjusted net income	\$90	\$31	\$42	\$40	\$31	\$39	\$48	\$41	\$18	\$38	\$145
	Diluted earnings per common share	\$2.57	\$0.90	\$1.30	\$1.20	\$0.94	\$1.06	\$1.44	\$1.20	\$0.42	\$1.11	\$4.17
	Acquisition related transaction costs, net of tax	-	-	-	-	-	0.11	-	-	-	-	0.05
	Acquisition related fair-value inventory step-up, net of tax	-	0.01	-	-	-	0.02	-	-	0.05	-	-
Loss on extinguishment of debt, net of tax	-	-	-	-	-	-	-	-	0.05	-	0.06	
Adjusted diluted earnings per common share	\$2.57	\$0.91	\$1.30	\$1.20	\$0.94	\$1.19	\$1.44	\$1.20	\$0.52	\$1.11	\$4.27	
RECONCILIATION OF QUARTERLY OPERATING MARGIN TO ADJUSTED OPERATING MARGIN		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1		
		2023	2023	2023	2023	2024	2024	2024	2024	2025		
	Operating margin	6.2%	8.2%	8.2%	7.3%	6.4%	8.3%	8.1%	4.7%	6.5%		
	Acquisition related fair-value inventory step-up	0.1%	-%	-%	-%	0.1%	-%	-%	0.2%	-%		
	Acquisition related transaction costs	-%	-%	-%	-%	0.5%	-%	-%	-%	-%		
	Loss on extinguishment of debt	-%	-%	-%	-%	-%	-%	-%	0.3%	-%		
Adjusted operating margin	6.3%	8.2%	8.2%	7.3%	7.0%	8.3%	8.1%	5.2%	6.5%			

¹ Periods prior to Q4-24 reflect the impact of the three-for-two stock split paid in December 2024

Non-GAAP Reconciliations

RECONCILIATION OF NET INCOME TO EBITDA TO ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

(\$ in millions)		2019	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q1 2025 TTM
Net income		\$90	\$30	\$42	\$40	\$31	\$35	\$48	\$41	\$15	\$38	\$142
+ Depreciation & amortization		63	36	36	36	37	40	41	42	43	43	169
+ Interest expense, net		37	18	18	17	15	20	20	20	19	19	78
+ Income taxes		28	8	15	15	11	4	16	14	6	8	44
EBITDA		\$218	\$92	\$112	\$108	\$94	\$100	\$126	\$117	\$82	\$108	\$433
+ Stock-based compensation		15	5	3	6	6	5	4	5	2	5	17
+ Acquisition related transaction costs		-	-	-	-	-	5	-	-	-	-	-
+ Acquisition related fair-value inventory step-up		-	1	-	-	-	1	-	-	2	-	2
+ Loss on extinguishment of debt		-	-	-	-	-	-	-	-	3	-	3
+ Loss (gain) on sale of property, plant and equipment		2	-	-	-	-	-	-	-	-	2	2
Adjusted EBITDA		\$235	\$98	\$114	\$113	\$100	\$111	\$130	\$121	\$89	\$116	\$456
Net sales		\$2,337	\$900	\$921	\$866	\$781	\$933	\$1,017	\$919	\$846	\$1,003	\$3,786
Adjusted EBITDA Margin		10.1%	10.8%	12.4%	13.1%	12.8%	11.9%	12.8%	13.2%	10.6%	11.5%	12.1%

Non-GAAP Reconciliations

RECONCILIATION OF FREE CASH FLOW

(\$ in millions)	2019	Q1 2025 TTM	Q1 2025
Net cash provided by operating activities	\$192	\$332	\$40
Less: purchases of property, plant and equipment	(28)	(80)	(20)
Free Cash Flow	\$165	\$251	\$20

RECONCILIATION OF OPERATING MARGIN TO ADJUSTED OPERATING MARGIN

	2019	2024	Q1 2025 TTM
Operating margin	6.6%	6.9%	7.0%
Acquisition related fair-value inventory step-up	-%	0.1%	-%
Acquisition related transaction costs	-%	0.2%	-%
Loss on extinguishment of debt	-%	-%	0.1%
Adjusted operating margin	6.6%	7.2%	7.1%

RECONCILIATION OF NET INCOME TO EBITDA TO PRO FORMA ADJUSTED EBITDA

(\$ in millions)	Q1 2025 TTM
Net income	\$141.5
+ Depreciation & amortization	168.9
+ Interest expense, net	78.5
+ Income taxes	44.2
EBITDA	\$433.1
+ Stock-based compensation	16.6
+ Acquisition pro forma, transaction-related expenses & other	28.5
Pro Forma Adjusted EBITDA	\$478.1